

May 1, 2003

TO: Internal File

FROM: Joseph C. Helfrich, Sr. Reclamation Specialist, Team Lead

RE: Midterm Permit Review, Co-Op Mining Company, Bear Canyon Mine,
C/015/025-MT03

SUMMARY:

On March 19, 2003 by way of correspondence, the Division notified Co-op Mining Company of its intent to conduct a Midterm review of the Bear Canyon mine. The following items were chosen for review:

1. An AVS check to ensure that Ownership and Control information is current and correct.
2. A review of the plan to ensure that the requirements of all permit conditions, division orders, notice of violation abatement plans, and permittee-initiated plan changes are appropriately incorporated into the plan document.
3. A review of the applicable portions of the permit to ensure that the plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
4. A review of the bond to ensure that it is in order and that the cost estimate is accurate and is escalated to the appropriate year dollars.
5. The review included a technical site visit on April 16, 2003 in conjunction with the assigned compliance inspector to document the status and effectiveness of operational, reclamation, and contemporaneous reclamation practices

The Bear Canyon Mine is permitted by Co-Op Mining Company and operated by CW Mining Company. Much of the permitted and adjacent area includes pre-SMCRA disturbance. Bear Creek is a small perennial stream. Big Bear Spring, located just south of the permit area, is an important source of culinary water for the Castle Valley Special Services District (CVSSD).

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Portals were constructed on the west side of Bear Canyon to access the Hiawatha and Blind Canyon Seams (#1 Mine) and the Tank Seam (#2 Mine). Up to the storage area above the Blind Canyon pad, the access road is identified on maps as the Primary Portal Access Road, and beyond the storage area it is identified on maps as the Primary Tank Seam Access Road.

The #2 Mine portal has been sealed and the pad and Primary Tank Seam Access Road are being reclaimed. The Hiawatha and Blind Canyon seams are being retreat-mined in the #1 Mine. Ground water collected in a sump in the #2 Mine is distributed throughout the Bear Canyon Mine property for culinary and mining use.

In a large tributary canyon on the east side of Bear Canyon, a new portal has been opened in the Wild Horse Ridge extension to mine the Blind Canyon seam (#3 Mine), and a portal to the Tank Seam is being built (#4 Mine). A suspended conveyor system has been built to transport coal from these Wild Horse Ridge mines to the existing tippie in Bear Canyon. The road to the #3 Mine is labeled on maps as the Primary #3 Mine Access Road, and the branch of the road that goes to the #4 Mine site is, at least for now, identified as the Pre-mining Recreational Road. Primary Conveyor Access Roads #1 and #2 serve the conveyor system.

The Blind Canyon Mine was inspected on April 16, 2003 as part of the mid-term permit review. The main hydrologic issue considered during this inspection was use of best technology currently available (BTCA) to control sedimentation and prevent, to the extent possible, additional contributions of sediment to streamflow or to precipitation runoff outside the permit area.

This memo will address item two.

GENERAL CONTENTS

VIOLATION INFORMATION

Regulatory Reference: 30CFR773.15(b); 30CFR773.23; 30CFR778.14; R645-300-132; R645-301-113

Analysis:

There is one notice of violation pending # N03-40-01-01 related to the monitoring of wells SDH-2, SDH-3, MW114, and MW117. There are no abatement plans required by the notice other than to monitor in accordance with the approved MRP by no later than May 12, 2003. The notice of violation does not require any information to be incorporated into the approved MRP. There have been no coal mining and reclamation operations in the name of Co-op Mining Company neither revoked or suspended nor has there been a performance bond forfeited in the five years preceding this review.

Findings:

The Bear Canyon Mine facility has met the regulatory requirements for this portion (item #2) of the midterm review.

SPECIAL CONDITIONS OR STIPULATIONS TO THE PERMIT APPROVAL

Regulatory References: 30 CFR773.17; R645-300-140; R645-300-145.

Analysis:

The permit was renewed on November 02, 2000 and expires November 02, 2005. Three stipulations were attached to the permit.

Findings:

There are three permit conditions associated with the Bear Canyon Mine permit; the first is that Federal mine plan approval is required prior to the initiation of coal extraction activities in leases designated as U-038727 and U-0020668. Federal mine plan approval was received from the Department of Interior, Office of Surface Mining, on February 2, 2002.

The second permit condition is that the permittee must submit water-monitoring information to the Division's electronic database. This has been, and continues to be,

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accomplished on a quarterly basis.

The third permit condition is that the pumping of mine water to the old mine workings north of Big Bear and Birch Spring will be controlled and monitored as stipulated by the Division with revision of that procedure only as directed by the Division and with the prior approval of the Division. According to Mr. Reynolds, the permittee drilled an in-mine borehole between the Blind Canyon and the Hiawatha seams in July of 2002 to drain that water into the lower seam such that it could be used. Thus, the requirement that the permittee must control and monitor that volume is no longer necessary and the permit condition has been satisfied. The permittee-initiated plan changes have been incorporated into the plan document.

The Trail Mountain Mine facility has met the regulatory requirements for this portion (item#2) of the midterm review.

RECOMMENDATION:

The midterm review is recommended for approval.